## A BILL FOR AN ACT

RELATING TO HOMELESSNESS.

#### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 PART I 2 The legislature finds that homelessness is (a) 3 one of the most pressing problems in Hawaii and requires a 4 robust, comprehensive solution to increase the pace at which the 5 State is gaining ground on addressing the issue. For the first time in years, the homelessness rate in Hawaii went down in 6 7 2017. Hawaii is turning the tide on the homelessness crisis by 8 investing in proven programs like housing first and rapid 9 rehousing. The network of people and resources engaged in 10 addressing homelessness has begun to make more efficient use of 11 available resources by implementing a data-driven, collaborative 12 process that matches those experiencing homelessness with the 13 services they need. However, Hawaii continues to have the 14 highest per capita rate of homelessness of any state in the 15 United States, with an estimated 7,220 people living on the 16 streets and in shelters. Therefore, the legislature finds that

- 1 the State must increase the investment in and commitment to the
- 2 solution.
- 3 Addressing homelessness requires a multi-faceted approach
- 4 using proven interventions that are targeted to the particular
- 5 characteristics of the population being served and that address
- 6 the root causes of homelessness. First and foremost, Hawaii
- 7 needs more housing that is affordable to low-income families.
- 8 Hawaii has the highest housing costs in the nation and the
- 9 lowest wages after adjusting for the cost of living. The
- 10 greatest need for housing lies at the lowest ends of the income
- 11 scale. Specifically, the greatest demand is for housing that is
- 12 affordable to residents with incomes at thirty per cent or less
- 13 than the area median income, such as the housing provided
- 14 through the state low-income public housing program.
- 15 The Hawaii public housing authority manages hundreds of
- 16 units that are vacant due to the need for major repairs. These
- 17 units could rapidly be brought back into service and assist
- 18 homeless and extremely low-income families with housing
- 19 available for thirty per cent of their income.
- 20 In addition to affordable housing, Hawaii needs to sustain
- 21 programs that connect people experiencing homelessness with

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critical services and housing programs, such as outreach, rapid 1 2 rehousing, the state rent supplement program, housing first, Oahu's family assessment center, and law enforcement assisted 3 4 diversion. 5 Outreach is critically necessary to connect people to all 6 available housing options: emergency shelters, transitional 7 shelters, housing first, rapid rehousing with rent stipends, and 8 treatment. For many chronically homeless mentally ill persons, 9 it can take fifty or more individual outreach contacts, spread 10 out over several months or even years, to build up the trust 11 needed to move these individuals and families off the streets. Outreach teams may also conduct wound care, distribute hygiene 12 13 kits or snacks, and offer to obtain identification documents. 14 Housing first programs are proven to be effective in addressing homelessness for chronically homeless individuals, 15 16 including those who have an addiction or mental illness, or 17 both. The principles of housing first programs include: Providing robust support services for program 18 19 participants that are predicated on assertive 20 engagement rather than coercion;

1	(2)	Granting chronically homeless individuals priority as
2		participants in housing first programs;
3	(3)	Embracing harm-reduction approaches, in collaboration
4		with prevention and early intervention approaches,
5		which include a spectrum of multiple opportunity
6		strategies from safer use to abstinence, to reduce the
7		impact of substance use disorders, thereby providing
8		critical links to deepen the impact to populations at
9		greater risk; and
10	(4)	Providing program participants with leases and tenant
11		protections as provided by law.
12	Whil	e housing first programs are relatively costly, they
13	are cost-	effective. Providing housing and services under the
14	housing f	irst program is less expensive than the alternative of
15	incurring	costs for emergency and other services necessary for
16	unhoused	persons who are chronically homeless.
17	The	rapid rehousing and state rent supplement programs are
18	proven to	be effective in securing and maintaining housing for
19	working i	ndividuals and families who are homeless. A

significant segment of homeless people have a stable source of

income and only need modest financial help and some housing

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- 1 stabilization services instead of full scale subsidies and
- 2 intensive, ongoing case management. More than a quarter of the
- 3 State's households fall into homelessness simply because they
- 4 are short of money to pay for their rent but have no other
- 5 underlying issues. For these individuals and families, small
- 6 subsidies allow them to more rapidly secure housing and move out
- 7 of shelters into permanent housing.
- 8 Rapid rehousing provides struggling households with a
- 9 financial shot in the arm typically a one-time payment to
- 10 cover delinquent rent, utility payments, or first month's rent
- 11 and security deposit. This one-time intervention is often all
- 12 families need to avoid homelessness or to quickly bounce back
- 13 from becoming homeless.
- 14 The state rent supplement program provides a sustained
- 15 subsidy to struggling households. Unlike the housing choice
- 16 voucher program, also known as the section 8 program, which
- 17 helps families at the lowest ends of the income scale by
- 18 bridging a wide affordability gap between income and housing
- 19 costs through subsidies, the state rent supplement program helps
- 20 households who are closer to financial self-sufficiency but
- 21 still have a narrow affordability gap to fill. The state rent

- 1 supplement program provides a small, time-limited subsidy,
- 2 warding off homelessness while providing time for families to
- 3 close the affordability gap and achieve self-sufficiency.
- 4 Financial case management and counseling are critical to
- 5 stabilize these families for future sustainability in permanent
- 6 housing.
- 7 Because individual subsidies under the rapid rehousing and
- 8 state rent supplement programs are relatively low, the programs
- 9 can resolve homelessness for a large number of individuals and
- 10 families relative to the total cost of the subsidy programs.
- 11 The family assessment center, which was opened on Oahu in
- 12 September 2016, has achieved extraordinary results over its
- 13 first year of operation. Out of fifty-four households served,
- 14 ninety-one per cent were successfully housed. The assessment
- 15 center provides comprehensive services to the households it
- 16 serves, including benefits reviews and determinations, health
- 17 assessments, service coordination, and housing placement. This
- 18 proven model can be replicated on the neighbor islands as an
- 19 effective way to move families with children to permanent
- 20 housing. For example, on Hawaii island, a large parcel of land
- 21 has been set aside to develop housing solutions for homelessness

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- ${f 1}$  in Kona, where the need for localized services is particularly
- 2 acute.
- Finally, to adequately address homelessness, Hawaii needs
- 4 to disrupt the ineffective, destructive, and expensive revolving
- 5 cycle of substance abuse addiction that leads to homelessness,
- 6 arrest, incarceration, release, and back to addiction on the
- 7 streets. LEAD, or law enforcement assisted diversion, is a pre-
- 8 booking diversion program that grants police officers the
- 9 discretionary authority to redirect low-level offenders,
- 10 typically drug-involved and homeless, to case managers if the
- 11 offenders are willing.
- 12 (b) The purpose of this Act is to:
- (1) Establish and appropriate funds for a three-year
- 14 housing homeless children pilot program to assist
- homeless families with minors, or those families with
- 16 minors at imminent risk of homelessness due to
- domestic violence, to obtain and maintain permanent
- 18 housing; and
- 19 (2) Appropriate funds to the Hawaii public housing
- 20 authority, department of human services, and
- 21 department of health to support the State's most

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1	effective programs to end nomelessness: public
2	housing, housing first, rapid rehousing, outreach
3	services programs to homeless persons, including
4	outreach services to runaway and homeless youth and
5	civil legal services, Oahu's family assessment center,
6	and the LEAD program.
7	PART II
8	SECTION 2. (a) There is established within the Hawaii
9	public housing authority a three-year housing homeless children
10	pilot program. The purpose of this program is to assist
11	families with minors experiencing, or at imminent risk of,
12	homelessness due to domestic violence to obtain and maintain
13	permanent housing.
14	(b) The housing homeless children pilot program shall:
15	(1) Assist the participants with circumstances arising due
16	to domestic violence;
17	(2) Assist the participants with obtaining or maintaining
18	permanent housing, including time-limited rental
19	assistance in an amount to be determined by the Hawai
20	public housing authority; and

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1	(3)	Provide the participants financial case management by
2		a United States Department of Housing and Urban
3		Development certified financial counseling
4		organization.

- (c) The board of directors of the Hawaii public housing
  authority shall adopt rules, pursuant to chapter 91, Hawaii
  Revised Statutes, necessary for the purposes of this section;
  provided that the board of directors of the Hawaii public
  housing authority shall develop interim rules without regard to
  chapter 91, Hawaii Revised Statutes, for assisting participants
  in the housing homeless children pilot program.
- (d) The board of directors of the Hawaii public housing
  authority may employ, without regard to chapter 76, Hawaii
  Revised Statutes, and at pleasure may dismiss, persons it finds
  necessary for the performance of its functions and fix their
  compensation.
- 17 (e) The Hawaii public housing authority may procure case
  18 management and counseling services without regard to chapter
  19 103D and 103F, Hawaii Revised Statutes, for assisting
  20 participants in the housing homeless children pilot program.

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1	SECTION 3. There is appropriated out of the general
2	revenues of the State of Hawaii the sum of \$ or so much
3	thereof as may be necessary for fiscal year 2018-2019 for the
4	Hawaii public housing authority to administer the housing
5	homeless children pilot program and administrative costs to
6	operate the program.
7	SECTION 4. There is appropriated out of the general
8	revenues of the State of Hawaii the sum of \$ or so much
9	thereof as may be necessary for fiscal year 2018-2019 for the
10	Hawaii public housing authority to provide public housing
11	improvements and renovations statewide.
12	SECTION 5. The sums appropriated in sections 3 and 4 of
13	this Act shall be expended by the Hawaii public housing
14	authority for the purposes of this part.
15	PART III
16	SECTION 6. There is appropriated out of the general
17	revenues of the State of Hawaii the sum of \$ or so much
18	thereof as may be necessary for fiscal year 2018-2019 for the
19	department of human services to continue to administer housing
20	first programs for chronically homeless individuals in the

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State.

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1	SECTION 7. There is appropriated out of the general
2	revenues of the State of Hawaii the sum of \$ or so much
3	thereof as may be necessary for fiscal year 2018-2019 for the
4	department of human services to continue to administer the rapid
5	rehousing program to assist homeless individuals or families in
6	obtaining or maintaining permanent housing and to cover housing
7	stabilization services and administrative costs to operate the
8	program.
9	SECTION 8. There is appropriated out of the general
10	revenues of the State of Hawaii the sum of \$ or so much
11	thereof as may be necessary for fiscal year 2018-2019 for the
12	department of human services to continue to administer the
13	outreach services program to homeless persons, including but not
14	limited to individuals and families with children, and
15	unaccompanied homeless youth; provided that:
16	(1) \$ of the sum appropriated shall be expended
17	for outreach services to runaway and homeless youth;
18	and
19	(2) \$ of the sum appropriated shall be expended
20	for civil legal services.

1 SECTION 9. There is appropriated out of the general 2 revenues of the State of Hawaii the sum of \$ or so much 3 thereof as may be necessary for fiscal year 2018-2019 for the 4 department of human services to continue to administer the 5 family assessment center on Oahu for homeless families. 6 SECTION 10. The sums appropriated in sections 6 through 9 7 of this Act shall be expended by the department of human 8 services for the purposes of this part. 9 PART IV 10 SECTION 11. There is appropriated out of the general 11 revenues of the State of Hawaii the sum of \$ or so much 12 thereof as may be necessary for fiscal year 2018-2019 for the 13 department of health to continue to administer homeless 14 outreach, counseling, and diversion for unsheltered persons experiencing substance abuse, including through professional 15 16 case managers who employ basic core competencies for substance **17** abuse treatment; provided that \$ of the sum appropriated 18 shall be expended to continue administering the law enforcement 19 assisted diversion pilot program. 20 The sum appropriated shall be expended by the department of 21 health for the purposes of this part.

1 PART V

- 2 SECTION 12. This Act shall take effect on July 1, 2050;
- 3 provided that section 2 shall be repealed on June 30, 2021.

#### Report Title:

Homelessness; Housing; Rapid Rehousing; State Rental Assistance; Housing First; Law Enforcement Assisted Diversion; Appropriation

#### Description:

Establishes and appropriates funds for a three-year housing homeless children pilot program to assist families with minors experiencing, or at imminent risk of, homelessness due to domestic violence, to obtain and maintain permanent housing. Appropriates funds for public housing improvements and renovations and to support Department of Health and Department of Human Services programs to end homelessness. Provides that the Hawaii Public Housing Authority may procure case management and counseling services for the housing homeless children pilot program without adhering to the State Procurement Code. (SB2401 HD1)

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